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# Marketing Health System Services to Employees

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## RESEARCH IN BRIEF

Health system employees—as well as their families and friends—represent a large potential audience for administrators seeking to market specific health system service lines or products. Research suggests that while traditional internal marketing techniques, including newsletters and internal signage, still prove effective in enhancing employee awareness of health system services offerings, marketing administrators are increasingly utilizing unconventional marketing tactics and external marketing tools to market to health system employees and to enhance staff morale. This brief outlines four health systems' use of internal and external marketing tools to market their services to employees.

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**THE ADVISORY BOARD COMPANY**  
**WASHINGTON, D.C.**

## I. RESEARCH METHODOLOGY

The findings detailed in this report were drawn from literature and interviews with the following sources:

Institution	Location	Bed size	Profit status	Internal marketing tactics
Health System A	South	1,000	Not-for-profit	<ul style="list-style-type: none"> <li>• Foundation mailing lists</li> <li>• Internal and public newsletters</li> <li>• Internal signage</li> <li>• Internet and intranet sites</li> <li>• Large glass display case</li> </ul>
Health System B	North	650	Not-for-profit	<ul style="list-style-type: none"> <li>• Elevator flyers</li> <li>• E-mail notices</li> <li>• Hospital newsletter</li> <li>• Paycheck enclosures</li> </ul>
Health System C	North	600	Not-for-profit	<ul style="list-style-type: none"> <li>• CEO forum</li> <li>• Daily health care reports</li> <li>• Events celebrating opening of new health centers</li> <li>• Internal newsletter</li> <li>• Management meeting</li> </ul>
Health System D	Midwest	850	Not-for-profit	<ul style="list-style-type: none"> <li>• Employee discounts</li> <li>• Internal newsletter</li> </ul>

## II. OVERVIEW

Hospital employees serve as an important and untapped source of revenue for hospital marketers seeking to increase returns on marketing efforts. However, marketing effectively to employees poses several challenges. First, employees must be loyal enough to their employer to recommend the hospital's services to family members and friends. Secondly, employees must be made aware of the services that a hospital—or entire health system—offers; often, an employee's knowledge of health system service offerings may be limited to his or her own department or unit. The first challenge correlates strongly with a hospital's recruitment and retention rates and, therefore, may be best addressed at the initial stages of employment. However, the second challenge—effectively communicating a hospital or health system's service offerings to staff—is something that can more easily be tackled by a marketing department seeking to sell a particular service or service line.

Primary and secondary research suggests that most hospitals choose to inform their employees about particular services through the following methods:

- ✓ Employee events
- ✓ Internal and external newsletters
- ✓ Internal hospital signage
- ✓ Internet and intranet sites
- ✓ Management meetings with department administrators
- ✓ Meetings with hospital executives
- ✓ Periodic e-mail messages

While few health systems attempt to track the effectiveness of internal communication tools, previous Advisory Board research indicates a significant discrepancy between a hospital's preferred method of communicating with employees and the methods that, in turn, have proven most effective, emphasizing the need to assess the most appropriate and applicable form of communication for one's own institution. The table below outlines the preferred versus the most effective methods of internal communication at six previously profiled institutions.

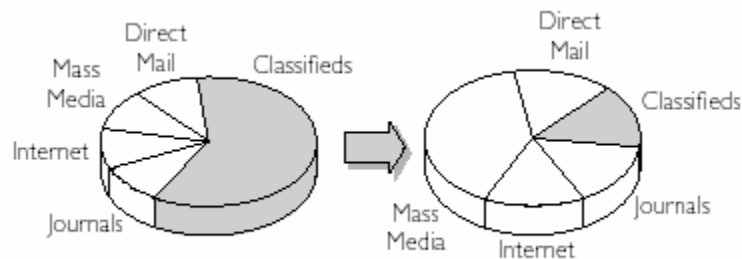
Preferred versus most effective communication methods		
Hospital	Preferred method	Effective method
A	Verbal communication	Verbal communication
B	Newsletter	Inter-office memos
C	Newsletter	Paycheck enclosures
D	Newsletter	Verbal communication
E	Newsletter	Paycheck enclosures
F	Newsletter	E-mail

Source: "Maximizing the Use of Internal Communication Tools," (April 2002).

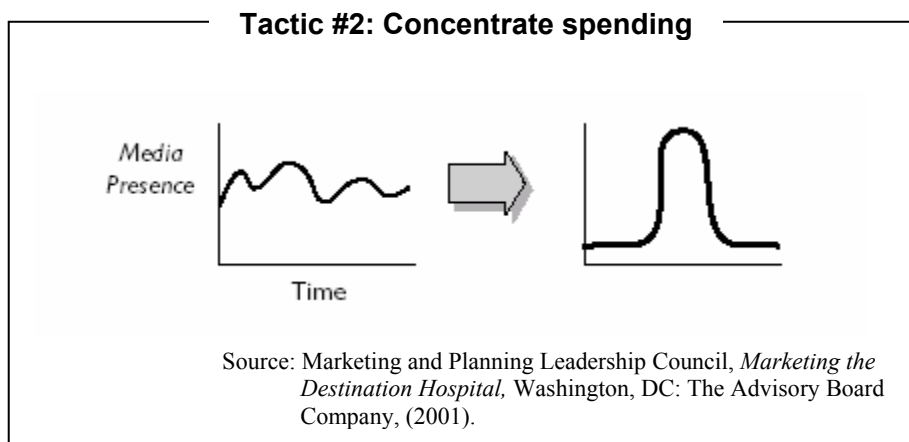
Internal self-analyses by hospital or health system marketing departments can help administrators determine how to most effectively market to their employees. This self-analysis may include internal surveying to determine which communication tool employees prefer to use. Administrators contacted for this research suggested that newsletters are the most useful and convenient communication tools for employees. For example, an administrator at Health System B indicated that the internal newsletter distributed by the marketing department is read by approximately 75 percent of all hospital employees. This readership rate suggests that, at Health System B, the newsletter most likely represents the preferred and most effective form of communication.

Although the communication used for marketing efforts and the communication used for recruitment efforts serve two distinct purposes, research regarding the most effective recruitment tactics can help inform marketing efforts by illustrating the most effective tools for reaching a health system's employee audience. Advisory Board research on the communication of recruitment marketing efforts reveals that administrators may receive a greater return on investment (ROI) by redistributing media mix and concentrating spending, as the graphics below and on the following page reveal.

#### Tactic #1: Redistribute media mix



Source: Marketing and Planning Leadership Council, *Marketing the Destination Hospital*, Washington, DC: The Advisory Board Company, (2001).



Dedicating additional resources to concentrated, comprehensive internal marketing campaigns may prove more effective in reaching the target employee audience. In addition, the diversification of internal marketing through the use of mass media, journals, the Internet/intranet, and direct mail allows for the greater distribution of the health system's message; specifically, the use of these tools on an internal and external basis enables marketing administrators to reach potential consumers and employees simultaneously when marketing health system services.

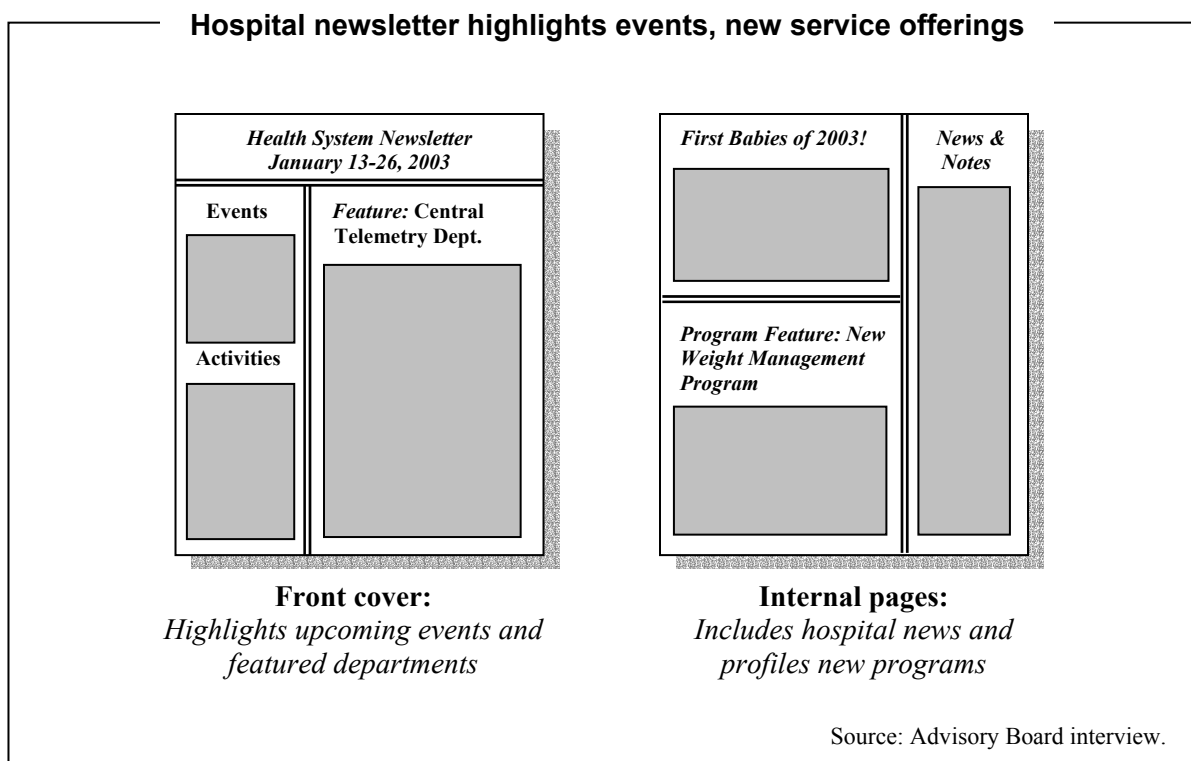
### III. MAKING THE MOST OF TRADITIONAL COMMUNICATION TOOLS

#### Strategy #1: Traditional newsletters still prove effective in catching employees' eye

While perhaps the most traditional of communication methods, newsletters can still be effective in marketing health system services. In an internal study performed in 2001, Health System B reported that approximately 75 percent of health system employees read the newsletter on a weekly basis. All health systems contacted for this research publish at least one internal newsletter, which includes blurbs and articles regarding new hospital services or programs, as well as one external publication that is also distributed widely internally. These newsletters are generally internally produced and range from simple, tri-fold brochures or single page sheets to more extensive, glossy, multiple page booklets and are distributed in hospital common areas, specific departments and units, and individual employee mailboxes. Often individual hospitals and departments within the health system maintain their own newsletters as well. Administrators note that it is important to ensure that the same blurb or article about a specific service is included in each of these different newsletters to maintain consistency and delivery of message across a health system.

Health System B's newsletter is a simple, internally produced news brief detailing recent events, hot topics such as the purchase of a new piece of equipment, and hospital news; moreover, the newsletter often features a specific program and includes contact information so that employees may contact an administrator to inquire about a particular service. Several thousand copies of the newsletter are distributed weekly throughout patient care areas, specific departments, and individual employee mailboxes. Administrators have established the importance of the newsletter as the "go-to" source of information regarding important health system happenings by placing essential information within the newsletter, in addition to extra, "nice-to-know" blurbs or articles. Recent articles have highlighted activities related to American Heart Month, including the American Heart Walk, implicitly highlighting the health system's cardiac service line as well.

Health System D distributes its newsletter every two weeks and produces the four-page packet internally. The front page of the newsletter features upcoming events and activities, while the internal pages of the newsletter include articles highlighting hospital units or specific departments, as well as new programs or services offered by the health system. For example, a recent newsletter highlighted a new weight management program and encouraged employees to participate in the program, including contact information for registration and registration fees. Additional recent program highlights have included massage therapy services—including an employee coupon for massages—wound and skin care services, and psychiatric and counseling services. The newsletter is published both in print format and on the Internet and is read by a substantial portion of staff.



### **Strategy #2: Posters and flyers serve as inexpensive ways to communicate**

All health systems contacted for this research additionally produces some form of inexpensive collateral to distribute throughout the hospital. These materials often included flyers or posters produced to celebrate an internal event or inform staff about a particular service line or department. Administrators collectively emphasized the need to reinforce the hospital brand and logo throughout the production of these materials, ensuring that they include the hospital logo and designated fonts so that employees can instantly recognize the material as important piece of hospital information. Whereas these materials had been discounted across the past few years as ineffective, several administrators note that they now serve as an additional means to reinforce the health system brand across multiple hospitals, departments, and employees. Often, the repetitive posting of these posters or flyers throughout patient care areas and in hospital thoroughways is effective in attracting staff attention and reinforcing a new service or upcoming event.

Marketing administrators at Health System B sometimes reproduce these flyers as paycheck enclosures, thereby including hospital information in an envelope that employees are forced to open. Although these paycheck enclosures have not recently been used to market specific hospital services, they are used

regularly to heighten awareness about upcoming hospital and community events, which can often indirectly educate employees about health system service offerings through the presence of health screenings or the opening of a new center of excellence.

The most effective use of internal signage was featured at Health System A. Administrators noted that the large display case in the flagship hospital's main hallway was the most effective tool in marketing services to health system employees, as well as hospital patients. Although the large, glossy posters in the glass case are expensive to produce internally, administrators feel that their return on investment for these materials is demonstrated by employee and patient access to the materials. As thousands of people walk through the main hallway daily, any new products or services are communicated to multiple potential patients and reinforced in the minds of hospital employees, who walk through the hallway many times per day.

### **Strategy #3: Internal e-mails bring attention to issues quickly, succinctly**

E-mails can serve as quick, easy-access points of communication regarding specific pieces of health system information. Although administrators caution against using e-mail to feature or highlight programs or services, they can be effective in reminding employees about an upcoming event or the availability of an online version of the print newsletter. Research suggests that the following format is most effective in succinctly delivering such a message:

#### **Short, concise e-mails grab employees' attention**

**TO:** Jennifer Smith, RN  
**FROM:** Communications Department  
**RE:** Breast Cancer Walk

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Please note that the upcoming Breast Cancer Walk has been scheduled for Saturday, March 8, 2003.

For registration information contact:  
Helen Rogers, Service Line Director  
555-1212

Source: "Maximizing the Use of Internal Communication Tools," (April 2002).

## IV. UTILIZING UNCONVENTIONAL MODES OF COMMUNICATION

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### **Strategy #4: Marketing around a specific event generates interest, educational opportunity**

Research suggests that organizing hospital marketing efforts around a special event helps build a consistent, thorough marketing effort and may enhance awareness for a specific clinical department or service. For example, several administrators contacted highlighted cardiac service lines during American Heart Month in conjunction with the health system's organization of a coinciding Heart Walk. For instance, Health System B recently built interest in their cardiac service line by offering a series of programs celebrating Heart Month, including a heart center conference, a community social event with an ex-pro football player as keynote speaker, and a Heart Walk. Although the Health System has not attempted to assess employee utilization of cardiac services as a result of the campaign, administrators do believe it was successful in reinforcing a consistent brand image and generating new interest in their cardiac service line offerings.

Health System C has developed an extensive marketing effort in conjunction with the upcoming opening of two new health centers—a men and women's health center and a heart center—in June and July 2003. The health system's annual community event will coincide with the opening of these centers and includes a reception, health center tours, and health screening opportunities for both hospital employees and community members. Articles in the health system newsletter have been featuring the new health centers and have focused on educating staff regarding the services and programs to be supplied by the centers.

In addition, the women's services director is in the process of developing an information packet for all staff that will work in the center, informing staff of the floor plans and detailing the new services to be offered in the centers. This packet, administrators note, will serve to educate employees about the new services available to patients as well as to employees themselves.

Moreover, Health System A spent an entire week recently celebrating its 50<sup>th</sup> anniversary; events included employee and VIP receptions and free meals in the hospital cafeteria for staff with entertainment, trivia contests, and games. Administrators believe that the events were so successful in improving staff morale and educating them about different hospital departments and services that they will be implementing several of the games and activities at individual department meetings across the next year.

In general, these events serve as an opportunity to both inform staff about health system services as well as improve employee morale. As mentioned in Section II, the success of internal marketing efforts is partly determined by the willingness of employees to refer themselves, their family, and their friends to the health system. To this extent, administrative dedication to enhancing staff morale through special events or activities may also help improve employee loyalty in the long run.

### **Strategy #5: One-on-one communication with administrators provides forum for discussion**

Health System C's CEO has recently implemented a monthly breakfast meeting for representatives from each hospital department. These meetings are designed to enhance staff accessibility to health system administrators and enhance conversation between and among respective department representatives. The CEO often solicits administrators or representatives from throughout the health system to speak to the group about upcoming events or new services. For instance, the director of women's services will be speaking to the group regarding the building of the new men's and women's health center at April's meeting.

In addition, Health System C holds monthly system management and hospital operations meetings, which serve a similar purpose in keeping hospital staff informed of other departments' activities.

### **Strategy #6: Utilizing foundation resources enables cross-selling of hospital services**

Administrators at Health System A use their internal health system foundation newsletter to access health system employees who have contributed to the foundation in order to cross-sell products and services to these staff members. By placing an article about the health system's new breast biopsy machine in the foundation's newsletter. For example, marketing administrators generated additional exposure for the service and accessed slightly different—and potentially more loyal—audience than would have been reached with the internal newsletter.

### **Strategy #7: Internet marketing enhances service visibility among staff and public**

Many hospital administrators utilize their websites as means to market to both internal staff and external potential patients. Health System A markets new services heavily on its Internet and intranet sites, featuring a new service every month on the main page. Recent features have included new radiation therapy options, drug-eluting stents, and the health system's sick child day care. In addition, the marketing department includes website information in the health system newsletter, which prevents administrators from having to actually market services inside the newsletter itself. Administrators made a conscious decision not to market within the newsletter; rather, they wanted to maintain the newsletter's staff-oriented focus and concentrate marketing efforts on internal signage and the marketing of its 50<sup>th</sup> anniversary week.

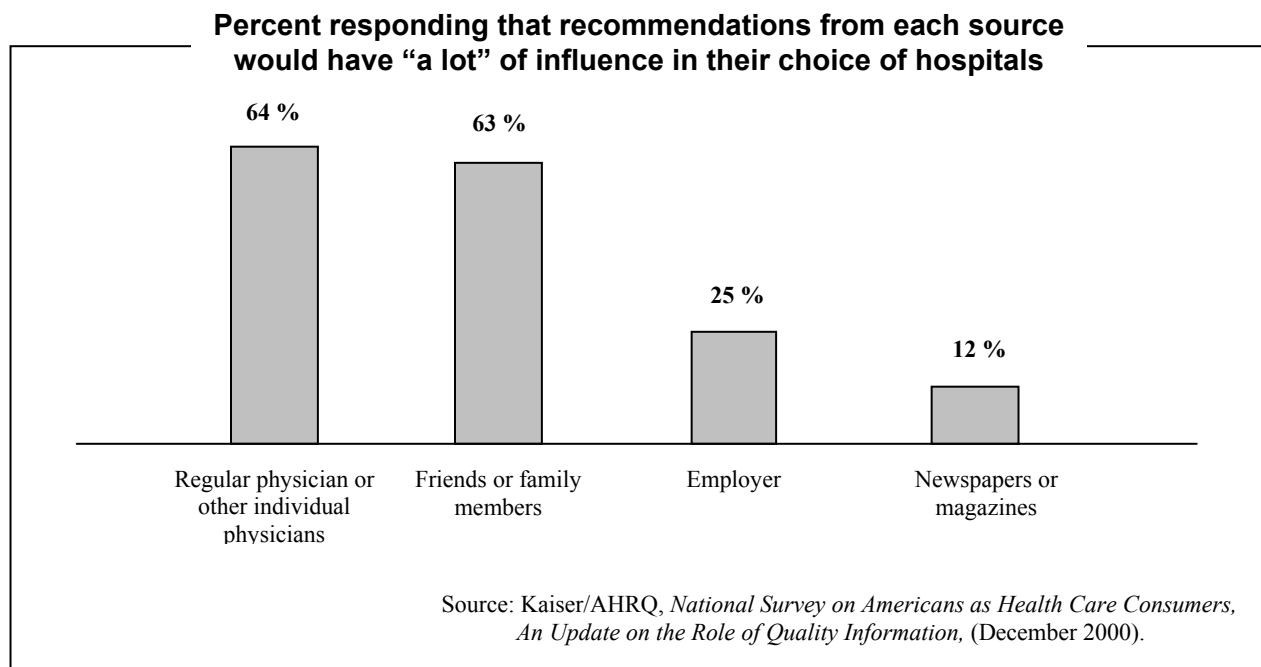
Health System C has included several prominent items on its internal and external websites featuring artists' rendering of the new centers of excellence, as well as fact sheets and press releases explaining the new health centers' service offerings. In addition, most health systems provide online versions of their newsletter, in order to enhance readability for employees who might not have access to a print version; however, administrators maintain that the print versions are more widely read than the electronic versions.

## **V. EMPHASIZING THE BRAND AND ELEVATING EMPLOYEE LOYALTY**

As emphasized above, internal marketing campaigns can serve two purposes. First, they can help elevate employee awareness regarding health system service offerings. Second, they may serve as an opportunity to enhance a sense of community, reinforcing health system brand and improving staff morale. Administrators overwhelmingly noted the importance of featuring the health system's brand and logos prominently in all internal marketing materials, in essence treating internal marketing materials the same way external marketing materials would be treated.

Advisory Board research echoes this thought; by moving beyond traditional means of internal communication, marketing administrators can reach both potential patients and existing employees—who are potential patients in this case—through the same media. Just as the expansion of recruitment advertising to television, radio, and Internet can help reach more passive job seekers, so does the expansion of internal marketing to traditionally external marketing media reach a larger, broader audience of staff members and community members. In general, employees represent a potential target audience that health care marketers cannot afford to ignore. A 2000 study performed by the Henry J. Kaiser Family Foundation and the Agency for Health Care Research and Quality revealed that 63 percent of consumers base their choice of hospital on recommendations from friends and family, as the chart on the following page illustrates.





Additionally, the viewing of external marketing by hospital or health system employees often helps improve staff morale by reinforcing health system brand. For example, a television commercial thanking health system nurses produced by Columbus, Ohio-based Mount Carmel Health System resulted in the following positive comments from the Vice President of Patient Care at the health system:

*The commercial “Thank you nurses” has been one of the biggest morale boosts for the staff. They requested that you never stop showing it.  
(That is quite a compliment).*

**Vice President, Patient Care Services**  
Mount Carmel Health System, Columbus, Ohio

Source: Marketing and Planning Leadership Council, *Marketing the Destination Hospital*, Washington, DC: The Advisory Board Company, (2001).

Current techniques for marketing to employees take what was traditionally a largely internal communications process external by viewing the employee as a potential consumer. In utilizing external means of communication to advertise hospital services and reinforce hospital brand, marketing administrators may educate both employees and the public about hospital services and enhance employee loyalty, especially when these external marketing initiatives recognize the efforts of current employees.

**Research Methodology**

During the course of research, Original Inquiry staff searched the following resources to identify pertinent information:

- Advisory Board's internal and online ([www.advisory.com](http://www.advisory.com)) research libraries
- Factiva™, a Dow Jones and Reuters company
- Internet, via multiple websites and search engines

Based on leads generated from the sources above, researchers contacted administrators at health systems nationwide with substantial internal marketing tactics.

**Professional Services Note**

The Advisory Board has worked to ensure the accuracy of the information it provides to its members. This project relies on data obtained from many sources, however, and the Advisory Board cannot guarantee the accuracy of the information or its analysis in all cases. Further, the Advisory Board is not engaged in rendering clinical, legal, accounting, or other professional services. Its projects should not be construed as professional advice on any particular set of facts or circumstances. Especially with respect to matters that involve clinical practice and direct patient treatment, members are advised to consult with their medical staffs and senior management, or other appropriate professionals, prior to implementing any changes based on this project. Neither the Advisory Board Company nor its programs are responsible for any claims or losses that may arise from any errors or omissions in their projects, whether caused by the Advisory Board Company or its sources. 1-8G1DF